

ABSTRACT OF THE DISCLOSURE

A system and method of selling reinsurance includes identifying a reinsurance product and a capacity of the reinsurance product to be sold and calculating a fair risk price for the reinsurance product. The reinsurance product is then offered to potential buyers via an electronic auction, wherein a minimum bid in the electronic auction is determined, at least in part, by the fair risk price. Bids are received from the buyers for portions of the capacity of the reinsurance product and are ranked in accordance with a calculated profitability value and/or time of receipt. Buyers are notified of a status of their respective bids, and particularly, whether bids have been tentatively accepted, partially accepted, or excluded, i.e., rejected. Upon notification of bid status, buyers are given the opportunity to modify bid parameters in an attempt to have their bids ranked at higher a level, thereby increasing the chance of the bid being accepted.

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